

benefitted from a provincially-sponsored home ownership program are not eligible. Preference will be given to applicants who do not own their own homes as of the qualification date.

H.O.M.E. Plan houses are built to be occupied by their purchasers.

Allocation

When homes are offered for sale, advertisements containing the names of the builders, house types and prices appear in local newspapers. Details of the eligibility rules and the method of applying for a house are also published at that time.

Generally, the houses are sold on a first-come first-served basis. However, in high demand urban areas a lottery system is used to allocate the houses.

Neither OHC, OMC nor the builders keep waiting lists for families interested in purchasing houses. Homes are sold only after advertisements appear in newspapers.



Ontario Housing Corporation

An agency of the Province of Ontario

Hon. Donald R. Irvine, Minister of Housing
Emerson Clow, Chairman, OHC



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The H.O.M.E Plan



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Home Ownership Made Easy

Ontario Housing Corporation's Home Ownership Made Easy (H.O.M.E.) Plan is a provincial program helping moderate income families to purchase their own homes by:

Providing serviced lots to builders and arranging for them to construct houses which are economical, but well designed.

Allowing down payments to be as low as five per cent of the house price alone, excluding the price of the lot.

Encouraging lower monthly payments through mortgage financing at below-market interest rates and a second mortgage system in which the monthly land payments are based only on the cost of the serviced land to the government.

When You Buy

You purchase both the house and the lot.

Your first mortgage, *covering only the house*, is provided by either Ontario Mortgage Corporation, the mortgage arm of the Ministry of Housing, or an approved mortgage lending institution. An OMC mortgage has a 35-year amortization schedule with a five-year term. At the end of the five-year term, the mortgage will be reviewed and changes may be made—in the interest rate, for example.

Your second mortgage, *covering the market value of the land at the time you buy*, is provided by OHC and administered by OMC. It also runs for 35 years and the interest rate may be adjusted every five years.

If your mortgage is provided or administered by OMC, you may make additional principal payments on any scheduled payment date.

Your Second Mortgage

The minimum required second mortgage land payments are based on only the cost of the serviced lot to the government. The difference between that and the market value of the lot must, of course, be paid off by the time 35 years have elapsed from the purchase date. This may be done in a number of ways. For example:

You may increase monthly payments to cover the entire amount of the second mortgage.

You may pay the entire difference between the cost of the serviced lot to the government and the market value at any time during or at the end of the 35-year period.

You may take out a new mortgage with a private lending institution, covering the difference between government land cost and the market value, at the end of 35 years.

If you sell your property, the entire second mortgage would normally become payable, but OHC may allow the second purchaser to assume the unpaid amount of the second mortgage at market interest rates.

Builders and House Construction

Builders are invited to submit house plans and price proposals on serviced land owned by OHC.

The proposals are judged on architectural merit, value offered, house prices and the construction ability and past performance of the builder.

Builders taking part in the program are limited to charging the sale prices approved by OHC and cannot install or charge for extras such as fireplaces or recreation rooms. All house construction must conform to local municipal by-laws and the National Building Code of Canada.

Eligibility

Because the H.O.M.E. Plan is designed to assist moderate income families to become homeowners, you will have to meet the eligibility rules.

In order to treat all potential buyers fairly, OHC determines a qualification date each time houses are offered for sale. The following eligibility factors are considered as of that date: Applicants are restricted to couples with or without children, or individuals with at least one legally dependent child living with them.

Eligibility is also limited to families within certain salary ranges on the qualification date. A family would qualify for a house only if the monthly mortgage payments and estimated municipal taxes do not exceed 30 per cent of the family's gross monthly income.

An applicant must have resided for at least one full year in Ontario immediately prior to the qualification date. Families who have previously